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Jefftex International Ltd.*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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JEFFTEX INTERNATIONAL LTD., Civ. Case No.

Plaintiff,

-against-

COMPLAINT

JPI TRADING CORP. and JOSEPH
SAFDIEH, Assigned to:

Defendants.

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Plaintiff JEFFTEX INTERNATIONAL LTD. ("JEFFTEX"), by its attorneys, Gottesman, Wolgel, Malamy, Flynn & Weinberg, P.C., alleges as and for its Complaint against the above captioned defendants JPI Trading Corp. ("JPI") and Joseph Safdieh ("Safdieh") as follows:

Jurisdiction and Venue

1. The Court has jurisdiction over this action based upon the diversity of citizenship pursuant to 28 U.S.C. § 1332.
2. The amount in controversy, exclusive of interest and costs, exceeds \$75,000.

3. Venue is proper in the Southern District of New York pursuant to 28 U.S.C. §§ 1391(a) & 1391(c), as defendant JPI resides in this judicial district at the time of the commencement of this action and as a substantial part of the events or omissions giving rise to the JEFFTEX' claim occurred in this judicial district.

The Parties

4. Plaintiff JEFFTEX is and was at all times relevant herein, a foreign corporation organized and existing under the laws of the Republic of China, having its principal office at No. 57, Fu Hsing North Road, Taipei, Taiwan, Republic of China. Jefftex is a manufacturer of children's apparel.

5. Upon information and belief, defendant JPI is and was at all times relevant herein, a corporation duly organized and existing under and by virtue of the laws of the State of New York.

6. Upon information and belief, JPI maintains a principal place of business at 1370 Broadway, New York, New York 10018.

7. Upon information and belief, JPI is a resident of the State of New York.

8. Upon information and belief, JPI is an importer of apparel.

9. Upon information and belief, defendant SAFDIEH is the president of JPI.

10. Upon information and belief, defendant SAFDIEH is the chief executive officer of JPI.

11. Upon information and belief, defendant SAFDIEH is and was at all times relevant herein, a domiciliary of the State of New York.

12. Upon information and belief, defendant SAFDIEH is and was at all times relevant herein, a resident of the State of New York.

13. Upon information and belief, defendant SAFDIEH is and was at all times relevant herein, a part-time resident of the State of New York.

14. Upon information and belief, defendant SAFDIEH is and was at all times relevant herein, a domiciliary of the State of New Jersey.

15. Upon information and belief, defendant SAFDIEH is and was at all times relevant herein, a resident of the State of New Jersey.

16. Upon information and belief, defendant SAFDIEH is and was at all times relevant herein, a part-time resident of the State of New Jersey.

Background

17. From time to time, JEFFTEX received purchase orders from JPI for the manufacturing of apparels.

18. JPI placed these orders with JEFFTEX via telephone, fax and/or e-mails.

19. All the aforesaid orders were communicated to JEFFTEX' office in Taipei, Taiwan.

20. JEFFTEX does not have offices in the United States.

21. The price for the ordered apparel was agreed upon by JPI and JEFFTEX before each order of children's apparel was shipped.

22. At issue here is the ordered apparel billed under, and which is more particularly described in the following 83 different invoices from JEFFTEX' suppliers (the "Ordered Merchandise"):

CZH-03260	HOL-22-H-2	JIL-74-J-9
CZH-03261	HTL-79-HP-11	JIL-69-J-7
CZH-03262	HTL-80-HP-12	JIL-89-J-10
CZH-03326	HOL-51-H-2	JIL-110-J-12
CZH-03352	HTL-63-HP-6	GHT-111-G-11
CZH-03159	YBC-115-Y-1	JIL-112-J-13
CZH-03169	HTL-116-HP-17	KIL-23-K-1
CZH-03187	JIL-117-J-2	JIL-22-J-4

CZH-03188	JIL-118-J-3	JIL-40-J-7
CZH-03189	KIL-88-K-7	GHT-39-G-1
CZH-03190	HTL-89-HP-13	KIL-85-K-2
CZH-03191	GHT-90-G-4	JIL-86-J-9
CZH-03214	HTL-92-HHP-14	GHT-96-G-4
CZH-03219	HTL-94-HP-15	HTL-97-HP-3
CZH-03283	KIL-95-K-8	JIL-98-J-12
CZH-03286	GHT-58-G-2	CZH-03438
GHT-27-G-1	JIL-60-J-4	CZH-03439
HTL-47-HP-5	GHT-25-G-4	CZH-03430
CZH-03365	CZH-02032	CZH-03431
JIL-11-J-1	KIL-50-K-3	CZH-03432
CZH-03379	CZH-03409	CZH-03433
CZH-00387	CZH-03410	CZH-03434
CZH-03428	CZH-03411	CZH-03435
KIL-16-K3	CZH-03416	CZH-03436
GHT-15-G4	CZY-040013	CZH-03437
JIL-66-J4	CZH-03395	JIL-100-J-14
JIL-65-J3	CZH-03396	
	JIL-36-J-2	
	JIL-99-J-13	
	CWL-3-CW-30/11	
	CZY-040066	

23. The total sum due and owed by JPI to JEFFTEX for the Ordered Merchandise was \$7,658,843.39 (the "Total Price").

24. The Total Price is tabulated as follows:

Invoice No.	Total Price
CZH-03260	\$102,525.00
CZH-03261	\$99,225.00
CZH-03262	\$64,050.00
CZH-03326	\$84,830.00
CZH-03352	\$114,618.50
CZH-03159, CZH-03169, CZH-03187, CZH-03188, CZH-03189, CZH-03190, CZH-03191, CZH-03214, CZH-03219, CZH-03283, CZH-03286	\$641,501.75
GHT-27-G-1	\$89,504.00
HTL-47-HP-5	\$66,048.00
CZH-03365	\$123,985.00
JIL-11-J-1	\$137,440.00
CZH-03379	\$100,400.00
CZH-00387	\$100,619.00

CZH-03428, KIL-16-K3, GHT-15-G4, JIL-66-J4, JIL-65-J3	\$646,055.20
HOL-22-H-2, HTL-79-HP-11, HTL-80-HP-12, HOL-51-H-2, HTL-63-HP-6, YBC-115-Y-1, HTL-116-HP-17, JIL-117-J-2, JIL-118-J-3, KIL-88-K-7, HTL-89-HP-13, GHT-90-G-4, HTL-92-HHP-14, HTL-94-HP-15, KIL-95-K-8, GHT-58-G-2, JIL-60-J-4, GHT-25-G-4, CZH-02032, KIL-50-K-3	\$1,847,864.88
CZH-03409, CZH-03410, CZH-03411, CZH-03416, CZY-040013	\$433,316.50
CZH-03395, CZH-03396, JIL-36-J-2, JIL-99-J-13, CWL-3-CW-30/11, CZY-040066	\$420,669.75
JIL-74-J-9, JIL-69-J-7, JIL-89-J-10, JIL-110-J-12, GHT-111-G-11, JIL-112-J-13, KIL-23-K-1, JIL-22-J-4, JIL-40-J-7, GHT-39-G-1, KIL-85-K-2, JIL-86-J-9	\$1,135988.31
GHT-96-G-4, HTL-97-HP-3, JIL-98-J-12	\$466,600.00
CZH-03438, CZH-03439, CZH-03430, CZH-03431, CZH-03432, CZH-03433, CZH-03434, CZH-03435, CZH-03436, CZH-03437	\$859,718.25
JIL-100-J-14	\$124,065.00
TOTAL PRICE:	\$7,658,843.39

25. JPI instructed and directed JEFFTEX to ship the Ordered Merchandise.
26. The original shipping documents for the Ordered Merchandise (the "Shipping Documents"), such as the bills of ladings and visas, must be presented to take possession of and title to the Ordered Merchandise.
27. Between late 2003 to the middle of 2004, JPI instructed and directed JEFFTEX to release the Shipping Documents before the Total Price was paid in full.
28. At the time of said instructions and directions were made, there were significant sum of monies due and owing to JEFFTEX by JPI for other merchandise

covered by other invoices, which though were delivered to and accepted by JPI, remained unpaid or partially unpaid.

29. JPI also claimed to have financial cash-flow problems.

30. JPI has previously tendered checks to JEFFTEX which could not be negotiated because of insufficient funds.

31. JPI has previously tendered checks to JEFFTEX which could not be negotiated because JPI issued a stop payment order.

32. JEFFTEX and JPI eventually negotiated and agreed that JPI will continue to pay down its unpaid debt.

33. JEFFTEX and JPI also negotiated and agreed that JPI will pay JEFFTEX the sum of \$6,617,948.65 for the Ordered Merchandise (the "Total Agreed Price").

34. JEFFTEX and JPI negotiated and agreed that JPI approved and accepted the Ordered Merchandise for shipment for the Total Agreed Price.

35. As part of said negotiation and agreement for JEFFTEX to release the Shipping Documents in advance of full payment of the Ordered Merchandise, JPI and SAFDIEH represented and promised to JEFFTEX that JPI would immediately pay a mutually agreed percentage of the Total Agreed Price, with the balance paid by post-dated checks and with the personal guaranty of SAFDIEH guarantying the payment of said balance.

36. Partial payment was made by JPI to JEFFTEX leaving \$4,521,675.26 as the unpaid balance of the Total Agreed Price.

37. Between late 2003 to the middle of 2004, JPI delivered to JEFFTEX the following twenty-four (24) post-dated checks as payment of the balanced owed on Ordered Merchandise at the Total Agreed Price:

Check No.	Check Date	Check Sum	Invoice No.
3602	12/11/2003	\$94,972.50	CZH-03260
3357	11/20/2003	\$89,302.50	CZH-03261
3358	11/22/2003	\$57,645.00	CZH-03262
3492	12/24/2003	\$42,415.00	CZH-03326
3542	12/27/2003	\$74,502.00	CZH-03352
3600	01/07/2004	\$301,182.73	CZH-03159, CZH-03169, CZH-03187, CZH-03188,
3601	02/06/2004	\$301,182.73	CZH-03189, CZH-03190, CZH-03191, CZH-03214, CZH-03219, CZH-03283, CZH-03286
3666	01/30/2004	\$44,752.00	GHT-27-G-1
3668	02/01/2004	\$33,024.00	HTL-47-HP-5
3802	02/10/2004	\$61,992.50	CZH-03365
3857	02/25/2004	\$68,720.00	JIL-11-J-1
3982	03/15/2004	\$50,200.00	CZH-03379
3988	03/20/2004	\$50,309.50	CZH-00387
4055	04/14/2004	\$323,027.60	CZH-03428, KIL-16-K3, GHT-15-G4, JIL-66-J4, JIL-65-J3
3939	04/21/2004	\$254,081.00	HOL-22-H-2, HTL-79-HP-11, HTL-80-HP-12, HOL-51-H-2, HTL-63-HP-6, YBC-115-Y-1, HTL-116-HP-17, JIL-117-J-2, JIL-118-J-3, KIL-88-K-7, HTL-89-HP-13, GHT-90-G-4, HTL-92-HHP-14, HTL-94-HP-15, KIL-95-K-8, GHT-58-G-2, JIL-60-J-4, GHT-25-G-4, CZH-02032, KIL-50-K-3
3940	05/11/2004	\$254,081.00	
3941	05/31/2004	\$254,081.00	
4131	04/25/2004	\$216,658.25	CZH-03409, CZH-03410, CZH-03411, CZH-03416, CZY-040013
4168	03/11/2004	\$210,285.00	CZH-03395, CZH-03396, JIL-36-J-2, JIL-99-J-13, CWL-3-CW-30/11, CZY-040066
4090	05/24/2004	\$434,515.50	JIL-74-J-9, JIL-69-J-7, JIL-89-J-10, JIL-110-J-12, GHT-111-G-11, JIL-112-J-13, KIL-23-K-1, JIL-22-J-4, JIL-40-J-7, GHT-39-G-1, KIL-85-K-2,
4091	06/23/2004	\$434,515.50	

			JIL-86-J-9
4330	06/01/2004	\$279,960.00	GHT-96-G-4, HTL-97-HP-3, JIL-98-J-12
4331	06/10/2004	\$515,830.95	CZH-03438, CZH-03439, CZH-03430, CZH-03431, CZH-03432, CZH-03433, CZH-03434, CZH-03435, CZH-03436, CZH-03437
4367	06/10/2004	\$74,439.00	JIL-100-J-14
TOTAL CHECKS:		\$4,521,675.26	

38. The twenty-four (24) checks described above were all post-dated (the "24 Post-Dated Checks"). A true copy of the checks are annexed hereto and made a part hereof as Exhibits A through and including T, each check being having its own exhibit letter.

39. The 24 Post-Dated Checks totaled \$4,521,675.26.

40. JEFFTEX is the intended beneficiary of the 24 Post-Dated Checks.

41. JEFFTEX is the holder of the 24 Post-Dated Checks.

42. JEFFTEX is the assignee of the payee's rights and remedies with respect to the 24 Post-Dated Checks.

43. During that same period, JPI also delivered to JEFFTEX the following written guaranties of payment by SAFDIEH, who through those instruments personally guaranteed the balance of the payment for the Total Agreed Price for the Ordered Merchandise:

Guaranty Dated	Guaranty Sum	Invoice No.
10/14/2003	\$241,920.00	CZH-03260
		CZH-03261
		CZH-03262
11/10/2003	\$42,415.00 Plus Interest	CZH-03326

11/18/2003	\$74,502.00 Plus Interest	CZH-03352
12/02/2003	\$602,365.46 Plus Interest	CZH-03159, CZH-03169, CZH-03187, CZH-03188, CZH-03189, CZH-03190, CZH-03191, CZH-03214, CZH-03219, CZH-03283, CZH-03286
12/12/2003	\$77,776.00 Plus Interest	GHT-27-G-1 HTL-47-HP-5
12/29/2003	\$61,992.50 Plus Interest	CZH-03365
01/07/2004	\$68,720.00 Plus Interest	JIL-11-J-1
02/03/2004	\$50,200.00	CZH-03379
02/03/2004	\$50,309.50	CZH-00387
02/11/2004	\$323,027.60	CZH-03428, KIL-16-K3, GHT-15-G4, JIL-66-J4, JIL-65-J3
01/26/2004	\$762,243.00	HOL-22-H-2, HTL-79-HP-11, HTL-80-HP-12, HOL-51-H-2, HTL-63-HP-6, YBC-115-Y-1, HTL-116-HP-17, JIL-117-J-2, JIL-118-J-3, KIL-88-K-7, HTL-89-HP-13, GHT-90-G-4, HTL-92-HHP-14, HTL-94-HP-15, KIL-95-K-8, GHT-58-G-2, JIL-60-J-4, GHT-25-G-4, CZH-02032, KIL-50-K-3
03/03/2004	\$216,658.25	CZH-03409, CZH-03410, CZH-03411, CZH-03416, CZY-040013
03/10/2004	\$210,285.00	CZH-03395, CZH-03396, JIL-36-J-2, JIL-99-J-13, CWL-3-CW-30/11, CZY-040066
02/24/2004	482,795.000	JIL-74-J-9, JIL-69-J-7, JIL-89-J-10, JIL-110-J-12, GHT-111-G-11, JIL-112-J-13, KIL-23-K-1, JIL-22-J-4, JIL-40-J-7, GHT-39-G-1, KIL-85-K-2, JIL-86-J-9
04/15/2004	\$795,790.95	GHT-96-G-4, HTL-97-HP-3, JIL-98-J-12 CZH-03438, CZH-03439, CZH-03430, CZH-03431, CZH-03432, CZH-03433, CZH-03434, CZH-03435, CZH-03436, CZH-03437
04/15/2004	\$74,439.00	JIL-100-J-14
TOTAL GUARANTEED SUM: \$4,135,438.78		

A copy of the each written personal guaranty is annexed hereto as part of the Exhibits A through and including T, with each written personal guaranty directly behind its corresponding check.

44. Each of the aforementioned written personal guaranties was an absolute and unconditional guaranty of payment.

45. The written personal guaranty of SAFDIEH was required in addition to the 24 Post-Dated Checks (i) because JPI had in the past delivered numerous checks which when presented for payment were not honored either because insufficient funds or because JPI issued a stop payment on the check, and (ii) because the checks themselves were post-dated.

46. JEFFTEX could not immediately present the 24 Post-Dated Checks for payment and negotiation since the checks were all post-dated.

47. Upon receiving both the 24 Post-Dated Checks and written personal guaranties, as they are delivered separately or together from time to time to JEFFTEX' local New York counsel, JEFFTEX would release to JPI the Shipping Documents for those invoices which corresponded to the check and guaranty received.

48. JPI obtained the original Shipping Documents for the Ordered Merchandise in exchange for the 24 Post-Dated Checks made for the benefit of JEFFTEX and as payment of the Ordered Merchandise.

49. Sometime after receiving the original Shipping Documents for the Ordered Merchandise and before the date of each of the 24 Post-Dated Checks, JPI placed a stop payment order on each of the 24 Post-Dated Checks.

50. Sometime after receiving the original Shipping Documents for the Ordered Merchandise and before the date of each of the 24 Post-Dated Checks, SAFDIEH placed a stop payment order on each of the 24 Post-Dated Checks.

51. The stop payment order on each of the 24 Post-Dated Checks made it impossible for each check to be paid when they were presented.

52. None of the 24 Post-Dated Checks have been replaced by JPI.

53. Still remaining due, owing and unpaid on the Ordered Merchandise based on the Total Agreed Price is the sum of \$4,521,675.26.

54. \$4,135,438.78 of \$4,521,675.26 sum is personally guaranteed by SAFDIEH for payment.

55. The 24 Post-Dated Checks subject to the stop payment orders created a \$4,521,675.26 unpaid debt and monetary obligation owed by JPI to JEFFTEX.

**As and for a First Cause of Action
(Liability as Drawer/Maker)**

56. Plaintiff JEFFTEX repeats and realleges paragraph 1-55 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

57. The 24 Post-Dated Checks totaled \$4,521,675.26.

58. Each of the 24 Post-Dated Checks was properly and duly indorsed.

59. Each of 24 Post-Dated Checks was presented for payment but payment was refused because JPI placed a stop payment order on all of the 24 Post-Dated Checks.

60. Each of 24 Post-Dated Checks were presented for payment but payment was refused because SAFDIEH placed a stop payment order on all of the 24 Post-Dated Checks.

61. JPI was the drawer for all of the 24 Post-Dated Checks.

62. JPI took delivery of and accepted the Ordered Merchandise.
63. None of the Ordered Merchandise was rejected by JPI.
64. None of the Ordered Merchandise was returned by JPI.
65. No claim of defect was communicated to JEFFTEX before the 24 Post-Dated Checks were presented for payment and negotiation.
 66. No claim of non-conformity was communicated to JEFFTEX before the 24 Post-Dated Checks were presented for payment and negotiations.
 67. JPI did not notify JEFFTEX that it placed a stop payment order on the 24 Post-Dated Checks at any time before the checks were presented for payment.
 68. SAFIDEH did not notify JEFFTEX that it placed a stop payment order on the 24 Post-Dated Checks at any time before the checks were presented for payment.
 69. There was no cause or justification for any stop payment order.
 70. Any conditions precedent to the full payment of the checks has been performed or has occurred.
71. JEFFTEX took these 24 Post-Dated Checks in good faith and for value in payment of the \$4,521,675.26 unpaid balance of Total Agreed Price for the Ordered Merchandise.
72. Notice of the refusal of payment of the check and notice of the stop payment was given to JPI for each of the 24 Post-Dated Checks.
73. Demands were made upon JPI for the payment of each of the sums represented by the 24 Post-Dated Checks.
74. Neither payment nor replacement checks were delivered to JEFFTEX as of the date of this Complaint.

75. There is still \$4,521,675.26 due, owing and unpaid on the account of the Ordered Merchandise at the Total Agreed Price.

76. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against JPI for the sum of \$4,521,675.26, the aggregate sum of the 24 Post-Dated Checks, together with interest accruing from the date of each of the 24 Post-Dated Checks.

**As and for a Second Cause of Action
(Breach of Contract)**

77. Plaintiff JEFFTEX repeats and realleges paragraph 1-76 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

78. In consideration of JEFFTEX manufacturing and/or procuring the manufacturing of the Ordered Merchandise, JPI promised to pay JEFFTEX for same in the amount equal to the Total Price.

79. Subsequently thereafter, and pursuant to negotiations and agreements between JEFFTEX and JPI, JEFFTEX sold and delivered the Ordered Merchandise to JPI at the Total Agreed Price.

80. Subsequently thereafter, and pursuant to the negotiations and agreements between JEFFTEX and JPI, JPI directed and authorized JEFFTEX to ship the Ordered Merchandise to JPI at the Total Agreed Price.

81. Subsequently thereafter, and pursuant to the negotiation and agreements between JEFFTEX and JPI, JPI purchased and accepted delivery of the Ordered Merchandise from JEFFTEX at the Total Agreed Price.

82. JPI took possession of the Ordered Merchandise.

83. JPI took possession of the Ordered Merchandise through its agents, subsidiaries and/or related entities.

84. No part of the Ordered Merchandise was rejected.
85. No part of the Ordered Merchandise was returned.
86. \$4,521,675.26 of the Total Agreed Price, is still due, owing and unpaid on the account of the Ordered Merchandise.
87. Notice of the unpaid balance due on the Ordered Merchandise was given to JPI and demand for the payment was made upon JPI.
88. No part of \$4,521,675.26 unpaid balance of the Total Agreed Price has been paid as of the date of this Complaint.
89. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against JPI for the sum of \$4,521,675.26, the unpaid balance of Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Third Cause of Action
(Breach of Implied Covenant of Good Faith and Fair Dealing)**

90. Plaintiff JEFFTEX repeats and realleges paragraph 1-89 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.
91. Each of the Ordered Merchandise constituted a valid contract between JEFFTEX and JPI.
92. Implied in every contract and agreement, including the ones for the Ordered Merchandise, is a covenant to refrain from intentionally and purposely doing anything to prevent the other party from receiving the benefits of its agreement.
93. JPI, by intentionally and purposefully not abiding by the terms of the contract despite representing that it would do so, has breached the parties' contract and implied covenant of good faith and dealing therein.

94. JPI, by refusing to pay JEFFTEX for the Ordered Merchandise, has frustrated and deprived JEFFTEX from receiving the benefits of its contract.

95. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against JPI for the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Fourth Cause of Action
(Account Stated)**

96. Plaintiff JEFFTEX repeats and realleges paragraph 1-95 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

97. Invoices for the Ordered Merchandise were presented to JPI for payment.

98. An account was taken and stated between JEFFTEX and JPI for the agreed upon sum due and owing for the Ordered Merchandise, and that agreed upon sum was the Total Agreed Price of \$6,617,948.65.

99. Based on this account stated, a portion of the Total Agreed Price was paid by JPI, leaving \$4,521,675.26 as the unpaid balance of the Total Agreed Price.

100. JPI delivered and tendered 24 Post-Dated Checks totaling in the sum of and equal to \$4,521,675.26, the unpaid balance of the Total Agreed Price, as full payment on the account of the invoices for the Ordered Merchandise at the Total Agreed Price.

101. The payments made by JPI in the form of 24 Post-Dated Checks totaling to the sum of \$4,521,675.26, the same sum as unpaid balance of the Total Agreed Price for the Ordered Merchandise, is evidence of, and the reaffirmation of, an "Account Stated".

102. Demand was duly made upon JPI for the payment of unpaid balance of the Total Agreed Price for the Ordered Merchandise, which entire sum still remains unpaid as of the date hereof.

103. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against JPI for the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Fifth Cause of Action
(Promissory Estoppel)**

104. Plaintiff JEFFTEX repeats and realleges paragraph 1-103 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

105. JPI made clear and unambiguous promises will pay the Ordered Merchandise at the Total Agreed Price.

106. SAFDIEH made clear and unambiguous promises that JPI and SAFDIEH will pay the Ordered Merchandise at the Total Agreed Price.

107. JPI made clear and unambiguous promises to accept the Ordered Merchandise at the Total Agreed Price.

108. SAFDIEH made clear and unambiguous promises that JPI will accept the Ordered Merchandise at the Total Agreed Price.

109. JEFFTEX reasonably and foreseeably relied on those promises by shipping the Ordered Merchandise to JPI at the Total Agreed Price.

110. JEFFTEX reasonably and foreseeably relied on those promises by releasing the Shipping Documents for the Ordered Merchandise to JPI.

111. JPI's refusal to pay to Jefftex \$4,521,675.26, the unpaid balance of the Total Agreed Price, constitutes a breach of its promises.

112. SAFDIEH's refusal to pay Jefftex the \$4,521,675.26, the unpaid balance of Total Agreed Price, constitutes a breach of his promises.

113. Defendants are now, jointly and severally, estopped from acting in derogation of their promises.

114. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against Defendants for the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Sixth Cause of Action
(Quantum Meruit)**

115. Plaintiff JEFFTEX repeats and realleges paragraph 1-114 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

116. JEFFTEX manufactured the Ordered Merchandise pursuant to JPI's purchase order.

117. JEFFTEX, through its contractors, manufactured the Ordered Merchandise pursuant to JPI's purchaser order.

118. The Ordered Merchandise was delivered to JPI.

119. The Ordered Merchandise was delivered to JPI's agents, subsidiaries or related companies.

120. JEFFTEX and JPI agreed that the fair and reasonable value of the Ordered Merchandise to be the Total Agreed Price, which was \$6,617,948.65.

121. JPI agreed to pay JEFFTEX the Total Agreed Price

122. JPI accepted the Ordered Merchandise.
123. JPI's agent(s) accepted the Ordered Merchandise.
124. JPI paid a portion of the Total Agreed Price which left an unpaid balance in the sum of \$4,521,675.26.
 125. The entire \$4,521,675.26 unpaid balance continues to be owe and due.
 126. JPI did not reject the Ordered Merchandise.
 127. JPI did not return the Ordered Merchandise.
 128. JEFFTEX is entitled to payment of the reasonable value of their goods and services which the JPI agreed was the Total Agreed Price, demand for which was duly made upon JPI, but \$4,521,675.26 of the Total Agreed Price remains unpaid.
 129. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against JPI for the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Seventh Cause of Action
(Unjust Enrichment)**

130. Plaintiff JEFFTEX repeats and realleges paragraph 1-129 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.
 131. JPI will be unjustly enriched at JEFFTEX' expense.
 132. JPI took delivery of the Ordered Merchandise without paying for same in full at the Total Agreed Price.
 133. No part of the Ordered Merchandise was rejected.
 134. No part of the Ordered Merchandise was returned.

135. It would be inequitable and against good conscience to permit JPI to keep the Ordered Merchandises without requiring JPI to pay for same in its entirety.

136. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against JPI for the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Eight Cause of Action
(Breach of Guaranty)**

137. Plaintiff JEFFTEX repeats and realleges paragraph 1-136 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

138. SAFDIEH executed and delivered to JEFFTEX his written personal guaranties to pay the monies due and owing by JPI for the various invoices covered by the Ordered Merchandise. Specifically, those guaranties were:

- a. a Guaranty of Payment dated October 14, 2003 which guaranteed payment of \$241,920.00 of the sums due for invoices CZH03260; CZH03261 and CZH03262 (*See Exhibits A, B & C*);
- b. a Guaranty of Payment dated November 10, 2003 which guaranteed payment of \$42,415.00 of the sums due for invoice CZH03326 with interest thereon at the rate of 12% per annum (*See Exhibit D*);
- c. a Guaranty of Payment dated November 18, 2003 which guaranteed payment of \$74,502.03 of the sums due for invoices CZH03352 with interest thereon at the rate of 12% per annum pursuant (*See Exhibit E*);
- d. a Guaranty of Payment dated December 2, 2003 which guaranteed payment of \$602,365.45 of the sums due for invoices CZH03159, CZH03169,

CZH03187, CZH03188; CZH03189, CZH03190, CZH03191, CZH03214,

CZH03283 and CZH03286 with interest (*See Exhibit F*);

e. a Guaranty of Payment dated December 12, 2003 which guaranteed payment of \$77,776.00 of the sums due for invoices HTL-47-HP-5 and GHT-27-G-1 with interest thereon at the rate of 12% per annum (*See Exhibits G & H*);

f a Guaranty of Payment dated December 29, 2003 which guaranteed payment of \$61,992.50 of the due for invoice CZH03365 with interest thereon at the rate of 12% per annum (*See Exhibit I*);

g. a Guaranty of Payment dated January 7, 2004 which guaranteed payment of \$68,720.00 of the sums due for invoice JIL-11-J-1 with interest thereon at the rate of 12% per annum (*See Exhibit J*);

h a Guaranty of Payment dated February 3, 2004 which guaranteed payment of \$50,200.00 of the sums due for invoice CZH03379 (*See Exhibit K*);

i. a Guaranty of Payment dated February 3, 2004 which guaranteed payment of \$50,309.00 of the sums due for invoice CZH03387 (*See Exhibit L*);

j a Guaranty of Payment dated February 11, 2004 which guaranteed payment of \$323,027.60 of the sums due for invoices CZH03428, KIL-16-K-3, CHT-15-G-4, JIL-66-J-4 and JIL-66-J-3 (*See Exhibit M*);

k. a Guaranty of Payment dated January 26, 2004 which guaranteed payment of \$762,243.00 of the sums due for invoices HOL-22-H-2, HTL-79-HP-11, HTL-80-HP-12, HOL-51--H-2, HTL-63-HP-6, YBC-115-Y-1, HTL-116-HP-17, JIL-117-J-2, JIL-118-J-3, KIL-88-K-7, HTL-89-HP-13, GHT-90-G-4, HTL-

92-HHP-14, HTL-94-HP-15, KIL-95-K-8, GHT-58-G-2, JIL-60-J-4, GHT-25-G-4, CZH-02032, and KIL-50-K-3 (*See Exhibit N*);

l. a Guaranty of Payment dated March 3, 2004 which guaranteed payment of \$216,658.25 of the sum due for invoices CZH03409, CZH03410, CZH03411, CZH03416; and CZY040013 (*See Exhibit O*);

m. a Guaranty of Payment dated March 10, 2004 which guaranteed payment of \$210,285.00 of the sums due for invoices, CZH03395, CZH03396, JIL-36-J-2, JIL-99-J-13, CWL-03-CW-30/11 and CZY040066 (*See Exhibit P*);

n. a Guaranty of Payment dated February 24, 2004 which guaranteed payment of \$482,795.00 of the sums due for invoices JIL-74-J-9, JIL-69-J-7, JIL-89-J-10, JIL-110-J-12, GHT-111-G-11, JIL-112-J-13, KIL-23-K-1, JIL-22-J-4, JIL-40-J-7, GHT-39-G-1, KIL-85-K-2 and JIL-86-J-9 (*See Exhibit Q*).

o. a Guaranty of Payment dated April 15, 2004 which guaranteed payment of \$795,790.95 of the sums due for invoices CZH03438, CZH03439, CZH03430, CZH03431, CZH03432, CZH03433, CZH03434, CZH03435, CZH03436, CZH03437, GHT-96-G-4, HTL-97-HP-3 and JIL-98-J-12 (*See Exhibits R & S*); and

p. a Guaranty of Payment dated April 15, 2004 which guaranteed payment of \$74,439.00 of the sums due for invoice JIL-100-J-14 (*See Exhibit T*);

139. Each of the aforesaid written personal guaranties included the following term agreed by SAFDIEH:

The undersigned [SAFDIEH] further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned [SAFDIEH]

140. The total sum guaranteed by the above guaranties, before interest, costs, expenses and fees, total \$4,135,438.78.

141. JPI failed to pay the \$4,521,675.26 balance due and owing for Ordered Merchandise.

142. JPI did not dispute the \$4,521,675.26 balance due and owing for the Ordered Merchandise.

143. JPI did not reject the Ordered Merchandise.

144. JPI did not return the Ordered Merchandise.

145. Notices were given to SAFDIEH of JPI's breach and failure to pay the Ordered Merchandise.

146. Demands were made upon SAFDIEH for SAFDIEH's payments of the sums guaranteed by SAFDIEH, namely, \$4,135.438.78, which payments was due and payable immediately upon demand.

147. SAFDIEH failed to and did not honor his written personal guaranties after demands were made therefore.

148. SAFDIEH breached his written personal guaranties by failing to pay in accordance of said guaranties.

149. Said guaranties still remains valid, effective and enforceable as of the date hereof.

150. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against SAFDIEH for the sum of \$4,135,439.25, the aggregate sum SAFDIEH guaranteed and is obligated to pay pursuant to the aforesaid written personal guaranties, together with interest at the rate of 12% per annum as specified by the guaranty or 9% per annum if the guaranty did not specify an interest rate, accruing from the date JPI took

possession of the Ordered Merchandise, plus all costs, expenses and fees, including attorneys' fees, incurred by JEFFTEX in enforcing the aforesaid guaranties.

**As and for a Ninth Cause of Action
(Breach of Implied Covenant of Good Faith and Fair Dealing)**

151. Plaintiff JEFFTEX repeats and realleges paragraph 1-150 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

152. Each of the aforementioned written personal guaranties constituted a valid agreement between JEFFTEX and SAFDIEH.

153. Implied in every agreement, including those written personal guaranties, is a covenant to refrain from intentionally and purposely doing anything to prevent the other party from receiving the benefits of its agreement.

154. SAFDIEH, by intentionally and purposefully not abiding by the terms of the written personal guaranties despite representing that it would do so, has breached the parties' agreement and implied covenant of good faith and dealing therein.

155. SAFDIEH, by refusing to pay JEFFTEX for the sums personally guaranteed, has frustrated and deprived JEFFTEX from receiving the benefits of its agreement.

156. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment against SAFDIEH for the sum of \$4,135,439.25, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

**As and for a Tenth Cause of Action
(Fraud, Fraudulent Inducement and Misrepresentation)**

157. Plaintiff JEFFTEX repeats and realleges paragraph 1-156 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

158. JPI has an ongoing pattern and history of non-payment and delinquent payment, with aged accounts in the millions of dollars.

159. Because of the aged accounts, JEFFTEX refused to release Ordered Merchandise ordered by and manufactured for JPI without advance payment and security by a third-party.

160. In order to induce JEFFTEX to release the Shipping Documents for the Ordered Merchandise to JPI in lieu of actual collection and verification of full payment, JPI and SAFDIEH jointly and severally requested that JEFFTEX accept the 24 Post-Dated Checks as payment of the sums due for the Ordered Merchandise together with the written personal guaranties of SAFDIEH.

161. JPI and SAFDIEH jointly and severally represented that JEFFTEX will be paid in full for the Ordered Merchandise at the Total Agreed Price.

162. JEFFTEX relying upon the representations of JPI and SAFDIEH, accepted the 24 Post-Dated Checks and SAFDIEH's written personal guaranties, and upon which released the original Shipping Documents to JPI for the Ordered Merchandise.

163. The 24 Post-Dated Checks were duly and properly indorsed and presented for payment, but payment thereon was refused because of JPI's stop payment order on each of the 24 Post-Dated Checks.

164. The stop payment orders prevented JEFFTEX from actually receiving the payment for the Ordered Merchandise.

165. None of the Ordered Merchandise was rejected.
166. None of the Ordered Merchandise was returned.
167. No claim of defect was communicated to JEFFTEX before the 24 Post-Dated Checks were presented for payment and negotiation.
 168. No claim of non-conformity was communicated to JEFFTEX before the 24 Post-Dated Checks were presented for payment and negotiations.
 169. JPI did not notify JEFFTEX that it placed a stop payment order on the 24 Post-Dated Checks at any time before the checks were presented for payment.
 170. SAFIDEH did not notify JEFFTEX that it placed a stop payment order on the 24 Post-Dated Checks at any time before the checks were presented for payment.
 171. There is no cause or justification for the stop payment orders.
 172. JPI never intended to pay for the Ordered Merchandise.
 173. SAFDIEH never intended to pay for the Ordered Merchandise.
 174. JPI caused a stop payment order on each of the 24 Post-Dated Checks.
 175. SAFDIEH caused a stop payment order on each of the 24 Post-Dated Checks.
176. JPI and SAFDIEH, jointly and severally, affirmatively made material statements and representations alleged herein and that they knew the statements to be false, for the purpose of and to fraudulently induce JEFFTEX to release the shipping documents for the Ordered Merchandise, which statements and representations JEFFTEX reasonably believed and relied upon when it released said shipping documents.
177. JPI and SAFDIEH, jointly and severally, fraudulently induced and misrepresented JPI's payment of the Ordered Merchandise by issuing what appeared to

be valid negotiable checks, and upon receiving the shipping documents it sought from JEFFTEX, JPI then issued stop payment orders thereon.

178. JPI and SAFDIEH, jointly and severally, knew: that JPI would rely on written personal guarantees of SAFDIEH; that JEFFTEX would not accept the 24 Post-Dated Checks without the additional security of the written personal guaranties of SAFDIEH; and that this reliance would cause JEFFTEX damage.

179. As a consequence of JEFFTEX' reliance upon the aforesaid statements, representations, 24 Post-Dated Checks and the written personal guaranties of SAFDIEH, JEFFTEX was damaged by the sum of 4,521,675.26, the unpaid balance of Total Agreed Price for the Ordered Merchandises, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

180. By reason of the foregoing, plaintiff JEFFTEX is entitled to a judgment based upon fraud, fraudulent inducement and/or misrepresentations against JPI and SAFDIEH, jointly and severally, for the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price for the Ordered Merchandise, together with interest accruing from the date JPI took possession of the Ordered Merchandise, as well as an award for PUNITIVE DAMAGES.

**As and for an Eleventh Cause of Action
(Alter Ego)**

181. Plaintiff JEFFTEX repeats and realleges paragraph 1-180 above with the same force and effect as thought the allegation plead therein are separately set forth hereinafter.

182. JPI exists solely to serve SAFDIEH.

183. SAFDIEH exercised complete dominion and control of JPI.

184. JPI is operated with a complete disregard of corporate formalities.

185. JPI is operated with inadequate capitalization.
186. JPI has an overlap in ownership, officers, directors and personnel, and shares common office spaces, address and telephone numbers other entities where SAFDIEH is or was the president, chief executive officer, chairman or controlling person.
187. JPI is a vehicle used by SAFDIEH to pay for his personal obligations.
188. JPI is the alter ego of SAFDIEH.
189. The adherence to the fiction of a separate corporate existence of JPI from SAFDIEH would result in an injustice to JEFFTEX.
190. By reason of the foregoing, the corporate identity of JPI should be disregarded and the court should find JPI and SAFDIEH, jointly and severally, liable to JEFFTEX for the sum of \$4,521,675.26, which is the unpaid balance of the Total Agreed Price as well as the aggregate sum of the 24 Post-Dated Checks, together with interest accruing from the date JPI took possession of the Ordered Merchandise.

WHEREFORE, plaintiff JEFFTEX demands judgment in favor of plaintiff JEFFTEX and against the above captioned defendants as follows:

- a. on the First Cause of Action, a judgment against defendant JPI in the sum of \$4,521,675.26, the aggregate sum of the 24 Post-Dated Checks, together with interest accruing from the date of each of the 24 Post-Dated Checks;
- b. on the Second Cause of Action, a judgment against defendant JPI in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise;

- c. on the Third Cause of Action, a judgment against defendant JPI in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise;
- d. on the Fourth Cause of Action, a judgment against defendant JPI in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise;
- e. on the Fifth Cause of Action, a judgment against defendants JPI and SAFDIEH in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise;
- f. on the Sixth Cause of Action, a judgment against defendant JPI in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise;
- g. on the Seventh Cause of Action, a judgment against defendant JPI in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise;
- h. on the Eight Cause of Action, a judgment against defendant SAFDIEH in the sum of \$4,135,439.25, the aggregate sum SAFDIEH guaranteed to pay, together with interest at the rate of 12% per annum if the guaranty specified the rate of interest or 9% per annum if the guaranty did not

- specify an interest rate, accruing from the date JPI took possession of the Ordered Merchandise, plus all costs, expenses and fees, including attorney's fees, incurred by JEFFTEX in enforcing the aforesaid guarantees;
- i. on the Ninth Cause of Action, a judgment against defendant SAFDIEH in the sum of \$4,135,439.25, together with interest accruing from the date of JPI took possession of the Order Merchandise;
 - j. on the Tenth Cause of Action, a judgment based upon fraud against JPI and SAFDIEH, jointly and severally, in the sum of \$4,521,675.26, the unpaid balance of the Total Agreed Price, together with interest accruing from the date JPI took possession of the Ordered Merchandise, as well as an award for punitive damages.;
 - k. on the Eleventh Cause of Action, a judgment that JPI and Safdieh are alter ego and the corporate identify of JPI should be disregarded, and a judgment against JPI and SAFDIEH, jointly and severally, in the sum of \$4,521,675.26, which is the unpaid balance of the Total Agreed Price as well as the aggregate sum of the 24 Post-Dated Checks, together with interest accruing from the date JPI took possession of the Ordered Merchandise; and
 - l. together with costs, expenses, attorneys fees and disbursements, and such other and further relief as this Court deems just and proper.

Dated: New York, New York
November 19, 2007

GOTTESMAN, WOLGEL, MALAMY,
FLYNN & WEINBERG, P.C.

By:


STEVEN WEINBERG (SW4382)
STEWART W. LEE (SWL7698)
11 Hanover Square
New York, NY 10005
Tel. (212) 495-0100

*Attorneys for Plaintiff
Jefftex International Ltd.*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JEFFTEX INTERNATIONAL LTD.,

Plaintiff,

JPI TRADING CORP. and JOSEPH SAFDIEH

Defendants.

COPY

COMPLAINT

GOTTESMAN, WOLGEL, MALAMY,
FLYNN & WEINBERG, P.C.

Attorneys for

Plaintiff

11 HANOVER SQUARE
NEW YORK, N.Y. 10005
TEL. NO. (212) 495-0100
FAX NO. (212) 480-9797

Pursuant to 22 NYCRR 130-1.1-a, the undersigned, an attorney admitted to practice in the courts of New York State, certifies that, upon information and belief and reasonable inquiry, (1) the contentions contained in the annexed document are not frivolous and that (2) if the annexed document is an initiating pleading, (i) the matter was not obtained through illegal conduct, or that if it was, the attorney or other persons responsible for the illegal conduct are not participating in the matter or sharing in any fee earned therefrom and that (ii) if the matter involves potential claims for personal injury or wrongful death, the matter was not obtained in violation of 22 NYCRR 1200.41-a.

Dated:

Signature

Print Signer's Name.....

Service of a copy of the within

is hereby admitted.

Dated:

.....
Attorney(s) for

PLEASE TAKE NOTICE

Check Applicable Box

NOTICE OF
ENTRY

that the within is a (certified) true copy of a
entered in the office of the clerk of the within-named Court on

20

NOTICE OF
SETTLEMENT

that an Order of which the within is a true copy will be presented for settlement to the
Hon. , one of the judges of the within-named Court,
at
on 20 , at M.

Dated:

GOTTESMAN, WOLGEL, MALAMY,
FLYNN & WEINBERG, P.C.

Attorneys for

To:

11 HANOVER SQUARE
NEW YORK, N.Y. 10005
TEL. NO. (212) 495-0100
FAX NO. (212) 480-9797

PLAINTIFF'S EXHIBIT A

1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3602

MEMO: 75% + 15% OLD
Invoice #CZH03260

12/05/03
CHECK NO. 3602 DATE December 11, 2003 AMOUNT \$94,972.50

PAY TO THE ORDER OF Ninety Four Thousand Nine Hundred Seventy Two and 50/100 Dollars

JEFF YOUNG

STOP PAYMENT

 AUTHORIZED SIGNATURE

"003602" "0214087045" "2704" "04463" "1"

21026011484:

"00009497250,"

JPI TRADING CORP.

3602

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
CZH03260	75%		105,525.00		79,143.75
CZH03260	15% OLD		105,525.00		15,828.75

Replaces check 3306

Security Features Included  Details on Back.

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd (Jefftex), releasing the invoices Nos. CZH03285, 03260, 03261, 03262 and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 75% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum after thirty (30) days, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
October 14, 2003

In the Presence of


Joseph Saidieh

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03285, 03260, 03261, 03262 and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 75% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum after thirty (30) days, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

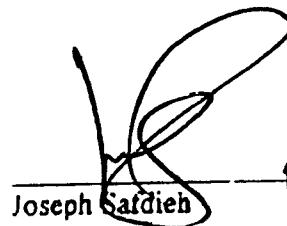
~~The obligations hereof shall survive the demise or death of the undersigned guaranteee and shall be binding on the estate of the deceased the same notwithstanding such death had not occurred.~~

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
October 14, 2003

In the Presence of

Najmoun Aldeeb


Joseph Sardieh 10/15/03

PLAINTIFF'S EXHIBIT B

JPI TRADING CORP.

1370 BROADWAY, STE 1200
NEW YORK, NY 10018

AMERASIA BANK 08

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3357

Memo: 75% Plus 15% old
Invoice #CZH03261
PAY TO THE ORDER OF Jeff Young

STOP PAYMENT

0003357# 0021408704# 04463# 1#
#0008930250#

AUTHORIZED SIGNATURE

#

Security Features Included  Details on Back.

JPI TRADING CORP.

3357

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
15% off	CZH03261		99225.00		14883.75
75%	CZH03261		"		74418.75

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
11/20/03	3357	Jeff Young		89302.50

Oct-15-03 01:19P PAN & CHU LLP

2123919/80

F-14

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03285, 03260, 03261, 03262 and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 75% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum after thirty (30) days, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
October 14, 2003

In the Presence of


Joseph Saidieh

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03285, O3260, 03261, 03262 and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 75% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum after thirty (30) days, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

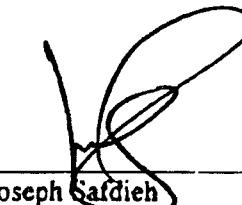
~~The obligations hereof shall survive the demise or death of the undersigned guaranteee and shall be binding on the estate of the deceased guaranteee even though such death had not occurred.~~

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
October 14, 2003

In the Presence of

Najmeh Allen


Joseph Saadieh 10/15/03

PLAINTIFF'S EXHIBIT C

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTOON, NY 1952
AMERISAFE GROUP

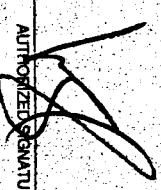
3358

Memo: 75% plus 15% old
Invoice #CZH03262

PAY TO THE ORDER OF
Fifty Seven Thousand Six Hundred Forty Five and 00/100 Dollars
Jeff Young

STOP PAYMENT

CHECK NO. JAN - 5 PM 3:52 AMOUNT
3358 Nov. 22, 2003 *****\$57,645.00

AUTHORIZED SIGNATURE: 
Jeff Young

Security Features Included Details on Back.

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
15% old 75%	C2H03262 C2H03262		64050.00 "		9607.50 48037.50
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT	
11/21/03	3358	Jeff Young			\$57645.00

Oct-15-03 01:19P PAN & CHU LLP

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd (Jefftex), releasing the invoices Nos. CZH03285, 03260, 03261, 03262 and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 75% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum after thirty (30) days, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
October 14, 2003

In the Presence of



Joseph Saadieh

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03285, 03260, 03261, 03262 and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 75% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum after thirty (30) days, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

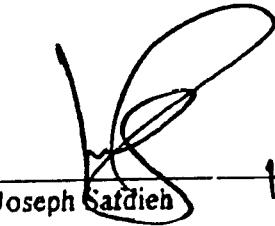
~~The obligations hereof shall survive the demise or death of the undersigned guaranteee and shall be binding on the estate of the deceased the same as though such death had not occurred.~~

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
October 14, 2003

In the Presence of

Najmoun Aldein


Joseph Sardieh 10/15/03

PLAINTIFF'S EXHIBIT D

JPI TRADING CORP.

REFERENCE NO. 3492

DESCRIPTION INVOICE DATE INVOICE AMOUNT DISCOUNT TAKEN AMOUNT PAID

CZH-03326 50% 11/10/03 84,830.00

42,415.00

CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT
12/24/2003	3492	JEFF YOUNG		42,415.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018NFB
NORTH FORK BANK
MATTITUCK, NY 11952
#8-870214

AMERASIA BANK

08

3492

2004 JEWELL NO.:

12 03

DATE

AMOUNT

3492

DECEMBER 24, 2003*****\$42,415.00

MEMO: 50% ON INVOICE #CZH-03326
TO THE
ORDER
OF
JEFF YOUNG

FORTY TWO THOUSAND FOUR HUNDRED FIFTEEN AND 00/100 DOLLARS

STOP PAYMENT

Security Features Included

Details on Back.

AUTHORIZED SIGNATURE

"0003492" "021408704" "2704" "0463" "1"
"0004241500"

110260114840

"0004241500"

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03326, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 50% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

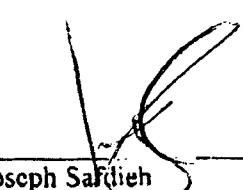
The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
November 10, 2003

In the Presence of

Majnoon Adams


Joseph Saadieh
11/10/03

PLAINTIFF'S EXHIBIT E

JPI TRADING CORP.

3542

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
CZH-03352	50% Plus	11/18/2003	114,618.50		57,309.25
CZH-03352	15% Old				17,192.75

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
12/27/2003	3542	JEFF YOUNG		74,502.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

AMERASIA BANK

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3542

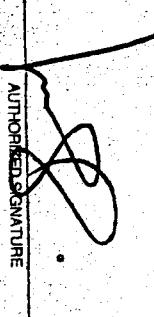
74,502.00 JAH CHECK NO. 12 OF DATE
3542 December 27, 2003 *****\$74,502.00

Security Features Included  Details on Back 

MEMO:
50% of Invoice #CZH03352
Plus 15% Old

PAY
TO THE
ORDER
OF
SEVENTY FOUR THOUSAND FIVE HUNDRED TWO AND 00/100 DOLLARS
JEFF YOUNG

STOP PAYMENT


AUTHORIZED SIGNATURE

"000354210214087041044E3110"
"00035420007450200"

200260114845

"0007450200"

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03352, CZH03355, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 50% plus 15% of the value of such invoices, within thirty (30) days from the date hereof, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

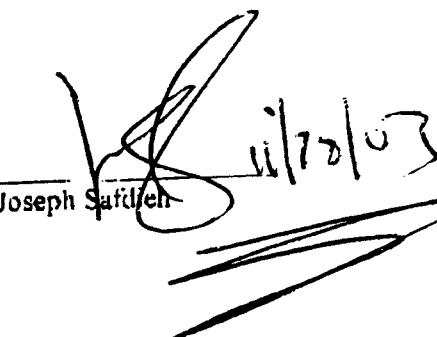
The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
November 18, 2003

In the presence of

Najmoor Aliens


Joseph Safulien
11/18/03

PLAINTIFF'S EXHIBIT F

JPI TRADING CORP.
NFB
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

S
AMERASIA BANK
NORTH FORK BANK
MATTITUCK, NY 11952
003011827300

3600

MEMO:

PAY
TO THE
ORDER
OF

JEFF YOUNG

STOP PAYMENT

AUTHORIZED SIGNATURE



200 CHECK NO P 2 28 DATE
3600 January 17, 2004*****\$301,182.73 AMOUNT

"003600" "02140870416" "2704" "04463" "11"

"003011827300"

"003011827300"

JPI TRADING CORP.

3600

200260114846

"003011827300"

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
Various					
CZH-03159			669,294.95		
CZH-03169					\$301,182.73
CZH-03187					
CZH-03188					
CZH-03189					
CZH-03190					
CZH-03191					
CZH-03214					
CZH-03219					
CZH-03283					
CZH-03286					
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT	
1/17/2004	3600	JEFF YOUNG		\$301,182.73	

JPI TRADING CORP.

3601

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
Various					
CZH-03159					
CZH-03169					
CZH-03187					
CZH-03188					
CZH-03189					
CZH-03190					
CZH-03191					
CZH-03214					
CZH-03219					
CZH-03283					
CZH-03286					

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
2/16/2004	3601	JEFF YOUNG		\$301,182.72

JPI TRADING CORP.

1370 BROADWAY, STE 1200
NEW YORK, NY 10018NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3601

04 FEB - 9 CHECK NO. 360145 DATE February 6, 2004 *****\$301,182.72

MEMO: Various Invoices

Three Hundred One Thousand One Hundred Eighty Two and 72/100 Dollars

PAY TO THE ORDER OF JEFF YOUNG

STOP PAYMENTSecurity Features Included:  Details on Back.

AUTHORIZED SIGNATURE

#00360145 10214087041# 2704#04463# 1# #0030118272#

26011484:

#0030118272#

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH-03159, -03169, -03187, -03188, -03189, -03190, -03191, -03214, -03283, -03286, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 45% of the value of such invoices, within forty-five (45) days, and 45% of the value of such invoices, within sixty (60) days, from the date hereof, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

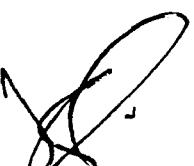
The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
December 2, 2003

In the Presence of

Najmoor Adenis



Joseph Sardieh

PLAINTIFF'S EXHIBIT G

JPI TRADING CORP.

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
GHT-27-C-1	50%	12/12/03	89,504.00		44,752.00

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
1/30/2004	3666	JEFF YOUNG		44,752.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-570214

3666

MEMO: 50% OF INVOICE #GHT-27-C-1

01/30/2004 CHECK NO. 3666 DATE JANUARY 30, 2004 AMOUNT \$44,752.00

PAY TO THE
FORTY FOUR THOUSAND SEVEN HUNDRED FIFTY TWO AND 00/100 DOLLARS
ORDER OF
JEFF YOUNG

STOP PAYMENT

AUTHORIZED SIGNATURE

Security Features Included

Details on Back.

#003666# 021408704# 2704#04463# 1#

#0004475200#

2011841

#0004475200#

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. C210005, HTL-47-HP-5, GHT-27-G-1, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 65% of the value of such invoices, within thirty (30) days, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

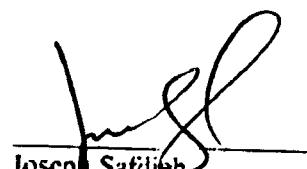
The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
December 12, 2003

In the Presence of

Najmunn Adenis


Joseph Safdieb 12/12/03
Under protest

PLAINTIFF'S EXHIBIT H

JPI TRADING CORP.

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
HTL-47-HP-5	50%	12/12/03	66,048.00		33,024.00

CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT
2/1/2004	3668	JEFF YOUNG		33,024.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3668

AMM: 30

MEMO: 50% ON INVOICE #HTL-47-HP-5
PAY TO THE ORDER OF JEFF YOUNG

THIRTY THREE THOUSAND TWENTY FOUR AND 00/100 DOLLARS

STOP PAYMENT

AMM: 30

01/ CHECK NO. 3668 DATE FEBRUARY 1, 2004 AMOUNT \$33,024.00

#0003668#

AUTHORIZED SIGNATURE

Security Features Included



Details on Back

#0003302400#

#0003302400#

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. G2100005, HTL-47-HP-5, GHT-27-G-1, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 65% of the value of such invoices, within thirty (30) days, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

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Dated: New York, New York
December 12, 2003

In the Presence of

Hajmooz Adenis

Jerry S. French 12/24/03

under protest

PLAINTIFF'S EXHIBIT I

JPI TRADING CORP.

3802

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
	50% ON INVOICE CZH03365	11/13/03	123,985.00		61,992.50
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT	
2/10/2004	3802	JEFF YOUNG		\$61,992.50	

RECEIVED
2/10/04

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3802

CHECK NUMBER - 2 PM 4:01
DATE
FEBRUARY 10, 2004 *****\$61,992.50
AMOUNT

MEMO: 50% ON INVOICE #CZH03365
PAY TO THE ORDER OF JEFF YOUNG

STOP PAYMENT

AUTHORIZED SIGNATURE

Security Features Included

Details on Back.

000061992501 000061992501 000061992501 000061992501

20070111841

000061992501

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. C7H03365, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 65% of the value of such invoices, within thirty (30) days, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
December 29, 2003

In the Presence of

Najman Adams

Joseph Saadich

12/29/03

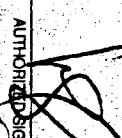
Under Protest

PLAINTIFF'S EXHIBIT J

JPI TRADING CORP.

୩୮

REFERENCE NO.	DESCRIPTION		INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT		
2/25/2004	3857	JEFF YOUNG		\$137,440.00 <i>Received 3/2/04 Chopped Jaffinut</i>	\$68,720.00	

JPI TRADING CORP.		NFB NORTH FORK BANK	
1370 BROADWAY, STE 1200 NEW YORK, NY 10018		MATTITUCK, NY 11952 50-870214	
KELLOGG BANK 03			
STOP PAYMENT			
MEMO: 50% ON INVOICE #JIL-11-J-1200 MAR - 2 PM 3:45 P.M.		CHECK NO.	DATE
PAY TO THE ORDER OF JEFF YOUNG		SIXTY EIGHT THOUSAND SEVEN HUNDRED TWENTY AND 00/100 DOLLARS	FEBRUARY 25, 2004*****\$68,720.00
			AMOUNT
			3857
AUTHORIZED SIGNATURE			
NPB		Security Features Included	
NPB		Details on Back	

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos. CZH03379, CZH03387, CWL-03-CW-30411, JIL-11-J-1, and the related import documents, without full payment therefor, to JPI Trading Corp. (JPI), the undersigned guaranteees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI with Jefftex, representing unpaid balance in an amount equal to 65% of the value of such invoices, within thirty (30) days, with interest at 12% per annum thereafter, all in accordance with the tenor and effect of such promissory notes and other negotiable instrument or evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

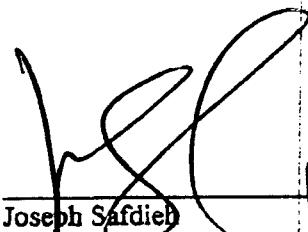
The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
December 22, 2003.

In the Presence of

Najmoor Adenis

Joseph Saadieh

 11/7/04
Under Photo

PLAINTIFF'S EXHIBIT K

JPI TRADING CORP.

3982

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
	50% of Invoice CZH03379				

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
3/15/2004	3982	JEFF YOUNG		50,200.00

Jeff Young
3/15/04

JPI TRADING CORP. 1370 BROADWAY, STE 1200 NEW YORK, NY 10018		AMERASIA BANK 04
		NFB NORTH FORK BANK MATTITUCK, NY 11952 50-870214
2004 MAR 18 PM 12:57		
CHECK NO. 3982 DATE MARCH 15, 2004 AMOUNT *****\$50,200.00		
PAY TO THE FIFTY Thousand Two Hundred and 00/100 Dollars ORDER OF JEFF YOUNG		
STOP PAYMENT 		
<small>Security Features Included</small> <input checked="" type="checkbox"/> <small>Details on Back.</small> <input type="checkbox"/>		
<small>AUTHORIZED SIGNATURE</small> 		
<small>00039821021408704046310005020000</small>		

ERO

FRB-ERO

FRB-ERO

FRB-ERO

FEB-3-2004 16:20 FROM: PAN & CHU, LLP

212-391-9780

10:31:27 11/19/07

F-7

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices No. CZH03379, without full payment therefor (\$100,400.00), to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 65% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
February 3, 2004

In the Presence of

Najmeen Adens


Joseph Safdieh

2/4/04


Under protest

PLAINTIFF'S EXHIBIT L

JPI TRADING CORP.

3988

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
	50% on Invoice #CZH03387		100,619.00		50,309.50
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT	
3/20/04	3988	Jeff Young		50,309.50	

JPI TRADING CORP. 1370 BROADWAY, STE 1200 NEW YORK, NY 10018		NFB NORTH FORK BANK NEW YORK, NY 11952 (609) 202-14	
AMERASIA BANK			
AMERICAN P 2:43 DATE 3988 MARCH 20, 2004			
AMOUNT 50,309.50			
MEMO: 50% on Invoice #CZH03387			
PAY TO THE ORDER OF Jeff Young			
TOP PAYMENT			
<small>Security Features Included <input type="checkbox"/> Details on Back.</small>			
<small>AUTHORIZED SIGNATURE</small>			
<small>0005030950</small>			
<small>0005030950</small>			

20070114845

10005030950

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices No. CZH03387, without full payment therefor (\$100,619.00), to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 65% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suite, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
February 3, 2004

In the Presence of

Najmuddin Alesis



Joseph Safdieh

Under Protest

PLAINTIFF'S EXHIBIT M

JPI TRADING CORP.

4055

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
50% OF INV. #S KIL16K3 GHT15G4 JIL66J4 JIL65J3	CZHO3428 133498.00 132046.00 188401.20 73206.00			TOTAL ALL INV 646,055.20	323,027.60

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
4/14/04	4055	JEFF YOUNG		323,027.60

Revised 4/27/04

JPI TRADING CORP. 1373 BROADWAY, STE 1200 NEW YORK, NY 10018		AMERISIA BANK, 03 <small>NFB NORTH FORK BANK MATTITUCK, NY 11952 50-870214</small>
4055		
APR 30 PAYBACK43. <small>DATE</small> AMOUNT April 14, 2004 *****\$323,027.60		
MEMO: 50% of Invoice #S CZH03428, KIL-16-K-3 STOP PAYMENT GHT-15-G-4, JIL-66-J-4 \$ JIL-65-J-3 TO THE ORDER OF Three Hundred Twenty Three Thousand Twenty Seven and 60/100 Dollars PAY OF JEFF YOUNG		
 <hr/> <small>AUTHORIZED SIGNATURE</small>		

Security Features Included



Details on Back.

"004055" "0214087041" "2704" "04463" "1"

"0032302760"

25026011484:

"0032302760"

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos CZH03428 (\$118,886.00), KIL-16-K-3 (\$133,498.00), GHT-15-G-4 (\$132,046.00), JIL-66-J-4 (\$188,401.20) and JIL-65-J-3 (\$73,206.00), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 50% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
February 11, 2004

In the Presence of

Najmoon Adenis

 2/11/04
Joseph Saadieh

Under protest



PLAINTIFF'S EXHIBIT N

JPI TRADING CORP.

3939

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
Spring13	Goods per letter of 1/23/04	1/23/04	1,016,324.00		254,081.00

CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT
4/21/04	3939	Mark Pan, as Attorney		\$254,081.00

JPI TRADING CORP.
1370 BROADWAY STE 1200
NEW YORK, NY 10018

AMERASIA BANK 03 NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3939

Memo: Release of '03 Sqg Bonded Good
APR 30 PM 2:42
CHECK NO. DATE AMOUNT
3939 Apr 21, 2004 ****-\$254,081.00

Two Hundred Fifty-Four Thousand Eighty-One and 00/100 Dollars

PAY TO THE ORDER OF
Mark Pan, as Attorney

STOP PAYMENT

AUTHORIZED SIGNATURE

M

Security Features Included

Details on Back.

"003939" "021408704" "2704" "04463" "0025408100"

250260114841

"0025408100"

JPI TRADING CORP.

3940

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
3940	Goods per letter of 1/23/04	1/23/04	1,016,324.00		254,081.00

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
5/11/04	3940	Mark Pan, as Attorney		\$254,081.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3940

AMERASIA BANK

Memo: (3 of 4) Release of '03 Sp Bond Gds CHECK NO.

DATE

***** AMOUNT

Security Features Included



Details on Back.

PAY
TO THE
ORDER
OF

Mark Pan, as Attorney

STOP PAYMENT

AUTHORIZED SIGNATURE

M

"0003940" "0214087040" "204" "044E3" "1"

M

20026011484:

"0025408100,"

JPI TRADING CORP.

3941

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
Spring 04	Goods per letter of 1/23/04	1/23/04	1,016,324.00		254,081.00
CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT	
5/1/04	3941	Mark Pan, as Attorney		\$254,081.00	

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

AMERASIA BANK 08

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870214

3941

Memo: Final Paym-Sprg '03 Bond 1000000 18 ~~Check~~ ~~Stop Payment~~
DATE 3941 AMOUNT ****-\$254,081.00

Two Hundred Fifty-Four Thousand Eighty-One and 00/100 Dollars

PAY TO THE ORDER OF
Mark Pan, as Attorney

AUTHORIZED SIGNATURE

Security Features Included

Details on Back

"0003941" "021408204" "204" "04463" "1" "0025408100"

25408100

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices for 2003 Spring goods (list attached), without full payment therefor (\$1,016,324.00), to JPI Trading Corp. (JPI), the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 75% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
January 26, 2004

In the Presence of

P. Seigle


Joseph Saadieh 1/27/04

Under protest

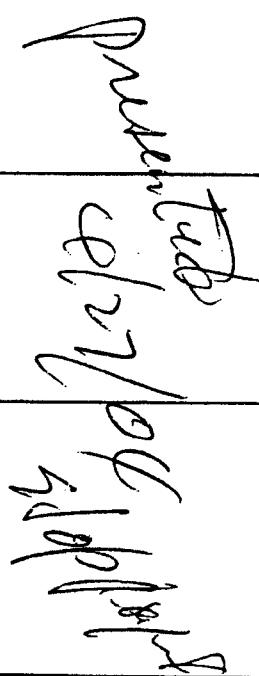
PLAINTIFF'S EXHIBIT O

JPI TRADING CORP.

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
50%	CZH03409 CZH03410 CZH03411 CZH03416 CZY040013		433,316.50		\$216,658.25

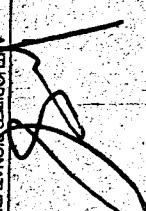
4131

CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT
4/25/2004	4131	JEFF YOUNG		\$216,658.25



 4131
 4/27/04
 JEFF YOUNG

JPI TRADING CORP. 1370 BROADWAY, STE 1200 NEW YORK, NY 10018		4131
AMERISIA BANK 03 <small>NFB NORTH FORK BANK MATTITUCK, NY 11952 50-870214</small>		
2004 APR 30 CHECK 2:42 <small>DATE 4131 APRIL 25, 2004</small>		
AMOUNT <small>*****\$216,658.25</small>		
MEMO: (50% OF 433,316.50) <small>PAY TO THE ORDER OF</small>		
TWO HUNDRED SIXTEEN THOUSAND SIX HUNDRED FIFTY EIGHT AND 25/100 DOLLARS STOP PAYMENT JEFF YOUNG		


 AUTHORIZED SIGNATURE

Security Features Included  Details on Back.

#004131# 4021408704# 270404E3#
 #0021665825#

2026011484:

#0021665825#

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos CZH03409, CZH03410, CZH03411, CZH03416, CZY040013 (totaling \$433,316.50), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 50% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

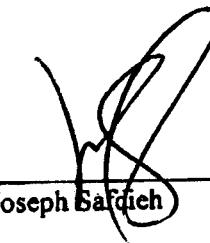
The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suite, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York

March 3, 2004

In the Presence of

Najmeh, Harris

 3/3/04
Joseph Saadieh

Under protest

PLAINTIFF'S EXHIBIT P

JPI TRADING CORP.

4168

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
50% OF INVOICE #S CZH03395 CZH03396 JIL-36-J-2 JIL-99-J-13 CWL-03-CW-30/11 CZY040066			\$420,669.75	\$210,285.00	

CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT
3/11/2004	4168	JEFF YOUNG		\$210,285.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-370214

AMERASIA BANK 04

4168

2004 MAR 18 CHECK #51
4168 DATE
MARCH 11, 2004*****\$210,285.00
AMOUNT

MEMO: (50% OF \$420,669.75)

PAY
TO THE
ORDER
OF

JEFF YOUNG

STOP PAYMENT

AUTHORIZED SIGNATURE

Security Features Included

Details on Back

"004168" "021408704" "27040463" "10021028500"

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos CZH03396, CZH03396, JIL-36-J-2, JIL-99-J-13, CWL-03-CW-30/11 and CZY-4-66 (totaling \$420,669.75), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, to its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 50% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
March 10, 2004

In the Presence of

Josephine Akins


31-1-1
Joseph Safdieh

Under protest

PLAINTIFF'S EXHIBIT Q

JPI TRADING CORP.

4090

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
JIL-74-J-9 JIL-69-J-7 JIL-89-J-10 JIL-110-J-12 GHT-111-G-11 JIL-112-J-13 KIL-23-K-1 JIL-22-J-4 JIL-40-J-7 GHT-39-G-1 KIL-85-K-2 JIL-86-J-9	45% (90 DAYS POST DATED) ON INVOICE #S	965,590.00		\$434,515.50	<i>Opened 104</i>
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT	
5/24/2004	4090	JEFF YOUNG		\$434,515.50	

JPI TRADING CORP.
 1370 BROADWAY, STE 1200
 NEW YORK, NY 10018

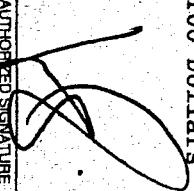
AMER/ SIA BANK 
 NFB
 NORTH FORK BANK
 MATTITUCK, NY 11952
 50-870214

2004 MAY CHECK NO: 1: 00 DATE
 4090 AMOUNT
 MAY 24, 2004*****\$434515.50

Security Features Included  Details on Back.

AUTHORIZED SIGNATURE

"004090" 204-0463 "10043451550"



PAY TO THE ORDER OF
 JEFF YOUNG

STOP PAYMENT

JPI TRADING CORP.

4091

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
45% (120 DAYS POST DATED) ON INVOICE #S	JIL-74-J-9 JIL-69-J-7 JIL-89-J-10 JIL-11-J-12 GHT-111-G-11 JIL-112-J-13 KIL-23-K-1 JIL-22-J-4 JIL-40-J-7 GHT-39-G-1 KIL-85-K-2 JIL-86-J-9		965,590.00		434,515.50
CHECK DATE	CHECK NO.	PAYEE	DISCOUNTS TAKEN	CHECK AMOUNT	
6/23/2004	4091	JEFF YOUNG		434,515.50	

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices Nos JIL-74-J-9, JIL-69-J-7, JIL-89-J-10, JIL-110-J-12, GHT-111-G-11, JIL-112-J-13, KIL-23-K-1, JIL-22-J-4, JIL-40-J-7, GHT-39-G-1, KIL-85-K-2, JIL-86-J-9 (totally \$965,590.00 after 15% discount), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 50% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
February 24, 2004

In the Presence of

Nojmoor Adenis

Joseph Safdieh



2/24/04

Walter P. Test

PLAINTIFF'S EXHIBIT R

JPI TRADING CORP.

4330

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
GHT-96-C-4 HTL0970HP03 JIL-98-J-12			466,600.00	60% =	\$279,960.00

CHECK DATE	CHECK NO.	PAYEE	DISCOUNT TAKEN	CHECK AMOUNT
6/1/2004	4330	JEFF YOUNG		\$279,960.00

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

AMERASIA BANK 04

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-8707214

4330

JUN JUN 26 CHECK # 48
DATE
4330 JUNE 1, 2004
AMOUNT
\$279,960.00

MEMO: (60% of \$466,600.00)
TWO HUNDRED SEVENTY NINE THOUSAND NINE HUNDRED SIXTY AND 00/100 DOLLARS
PAY TO THE
ORDER
OF
JEFF YOUNG

STOP PAYMENT

Security Features Included

Details on Back.

4004330410214087040204046300

100279960000

20260114841

100279960000

HPR-15-2004 10:59 FAXED BY A USER

YEAR END TAIWAN SHIPMENTS

GHT-96-G-4	\$127,100.00
HTL-97-HP-3	\$142,460.00
JIL-98-J-12	\$197,040.00
TOTAL	\$466,600.00

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices listed on the attached schedule (totaling \$1,326,318.25), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 60% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

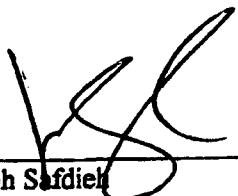
The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
April 15, 2004

In the Presence of

Najmeh Alenis


Joseph Safdieh

Will protest

PLAINTIFF'S EXHIBIT S

JPI TRADING CORP.

4331

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
CZH03438					
CZH03439					
CZH03430					
CZH03431					
CZH03432					
CZH03433					
CZH03434					
CZH03435					
CZH03436					
CZH03437					
6/10/2004	4331	JEFF YOUNG			\$515,830.95

YEAR END CHINA SHIPMENT

CZH03438	\$78,039.00
CZH03439	\$78,039.00
CZH03430	\$89,800.00
CZH03431	\$94,000.00
CZH03432	\$92,000.00
CZH03433	\$94,000.00
CZH03434	\$105,600.00
CZH03435	\$96,200.00
CZH03436	\$90,176.50
CZH03437	\$41,863.75
TOTAL	\$859,718.25

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoices listed on the attached schedule (totaling \$1,326,318.25), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 60% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

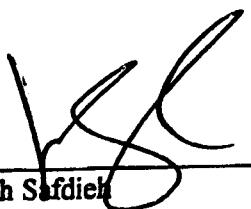
The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suite, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

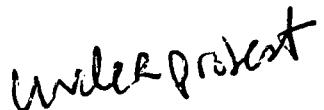
Dated: New York, New York
April 15, 2004

In the Presence of

Najman Allen



Joseph Sufdieh


Willard Project

PLAINTIFF'S EXHIBIT T

205 15:04 FROM: PAN & CHU, LLP

JPI TRADING CORP.
1370 BROADWAY, STE 1200
NEW YORK, NY 10018

NFB
NORTH FORK BANK
MATTITUCK, NY 11952
50-870/214

4367

AMERASIA BANK

Memo:	CHECK NO.	DATE	AMOUNT
JIL-100-J-14 60% Balance	2004 JUL - 14 389	Jun 10, 2004	*****\$74,439.00

PAY Seventy-Four Thousand Four Hundred Thirty-Nine and 00/100 Dollars
TO THE
ORDER
OF Jeff Young

STOP PAYMENT

AUTHORIZED SIGNATURE

1000436710 02140870410270404463110

100074439000

200260114840

100074439000

GUARANTY OF PAYMENT

In consideration of Jefftex International Ltd. (Jefftex), releasing the invoice No. JIL-100-J-14 (\$124,065.00), to JPI Trading Corp. (JPI), without full payment therefor, the undersigned guarantees unto Jefftex, its successors, or assigns, the prompt payment by JPI, of all promissory notes, or other negotiable instruments or other evidences of indebtedness made by JPI to Jefftex, representing unpaid balance in an amount equal to 60% of the full payment, according to the term of such promissory notes, negotiable instruments or other evidences of indebtedness.

It is the intent of the undersigned that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of JPI's obligations for the purposes hereinbefore set forth, to be and continue in full force and effect until JPI's aforesaid obligations are paid in full.

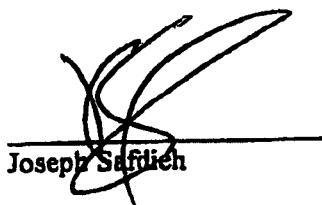
The undersigned further agrees to pay and shall be liable for all costs, expenses, and fees, including attorney fees, which may be incurred by Jefftex in enforcing or attempting to enforce this Guaranty against the undersigned.

The obligations hereof shall survive the demise or death of the undersigned guarantor and shall be binding on the estate of the deceased the same as though such death had not occurred.

The undersigned hereby waive notice of advancements hereunder, demand for payment, notice of default, notice of extension of time of payment of said obligations, or notice or renewal thereof, and all rights it might otherwise have to require Jefftex, as condition to requiring the undersigned to perform hereunder, to first (i) institute suit, obtain a judgment, or exhaust any remedies against JPI or any others liable on such obligations, (ii) make any other efforts at collection, or (iii) require Jefftex to join JPI as a party in any suit on this Guaranty.

Dated: New York, New York
April 15, 2004

In the Presence of



Joseph Safilich



unre protest